

RE: BURNABY CHAMBER OF COMMERCE  
FEE-FOR-SERVICE CONTRACT RENEWAL

ITEM 7  
MANAGER'S REPORT NO. 19  
COUNCIL MEETING 88/03/14

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendations of the Director Planning & Building Inspection be adopted.

\* \* \* \* \*

TO: MUNICIPAL MANAGER 1988 MARCH 08

FROM: DIRECTOR PLANNING & BUILDING INSPECTION  
Our File: 00.830

SUBJECT: BURNABY CHAMBER OF COMMERCE  
FEE-FOR-SERVICE CONTRACT RENEWAL

=====

RECOMMENDATIONS:

1. THAT staff be authorized to negotiate the terms of a renewal Fee-for-Service contract with the Burnaby Chamber of Commerce, as described in this report, for operation of the Travel Information Centre at its premises at 6525 Sprott Street for the 1988 calendar year.
2. THAT a further report be submitted to Council outlining the negotiated terms and budget of the 1988 contract for final approval.
3. THAT the Burnaby Chamber of Commerce be forwarded a copy of this report.

REPORT

1.0 SUMMARY AND BACKGROUND

In 1986 March, the Corporation entered into an agreement with the Burnaby Chamber of Commerce, whereby the Municipality provided funding for the operation of the Travel Information Centre, situated at 6525 Sprott Street, on a Fee-for-Service basis. The contract was renewed in 1987 March for a subsequent one year agreement, with provision for review of the contract, and assessment of the advisability of renewing for the 1988 calendar year.

Staff have reviewed the 1987 contract and have concluded that the basic obligations of the contract have been fulfilled, with the exception of submission of a summary evaluation report from the Tourism Survey. The Chamber has indicated it was unable to complete the evaluation. A revised schedule has been submitted by Chamber staff, and the evaluation report is expected by 1988 April.

The remaining requirements of the contract, including the operation of the Travel Information Centre on an agreed upon timetable, maintenance of a log of Travel Information Centre users, and submission of an audited statement of actual expenses for 1987 have been adequately met. Staff therefore recommend renewal of the contract for the 1988 calendar year.

The Fee-for-Service contract has been in effect for two years, and staff have had an opportunity to review the effectiveness of the present contract. As a result of this review, staff propose that some minor amendments be made to the 1988 contract. These amendments will improve effectiveness of the contract and ensure that the financial contribution of the Chamber to the operating costs of the Travel Information Centre is made equivalent to at least their intended 10% assessment.

## 2.0 REVIEW OF THE CONTRACT

Staff have reviewed the 1987 contract, and are satisfied that the requirements of the agreement have been fulfilled, and that the operation of the Travel Information Centre has been consistent with the terms outlined.

### 2.1 Staffing and Hours of Operation

The basic Travel Information Centre staff was augmented by six travel counselors and a Tourism Development Coordinator. The travel counselors were employed from May 4 to September 7, and funded by the Ministry of Labour Challenge '87 programme.

The Tourism Development Coordinator was funded through the Canadian Job Strategies Training Programme, for a period of 26 weeks (March to August). The responsibilities of the position included training the travel counselors, and coordination of the Superhost and Encore programs for Chamber members.

The hours of operation of the Travel Information Centre were consistent with those outlined in the contract.

### 2.2 Log of Travel Information Centre Users

The Chamber has submitted a record of visitors to the Travel Information Centre, telephone and mail inquiries for 1987, and comparative figures for 1986 (Appendix I, attached).

While the figures are significantly reduced from 1986, as would be anticipated following Expo '86, the number of visitors and inquiries for 1987 is considerably increased from 1985, the year prior to Expo. The total number of visitors served in 1987 was 18,601, as compared with 8,445 in 1985 and 24,662 in 1986.

These figures demonstrate that the Travel Information Centre provides a valuable service as a first contact point for many visitors to Burnaby. The Chamber staff endeavour to promote Burnaby facilities and destinations in response to tourist inquiries and needs.

### 2.3 Travel Information Centre Projects

#### Tourism Survey:

Municipal Planning Staff worked with the Chamber staff in producing a final draft of a Tourism Survey, to be distributed to visitors to the Travel Information Centre, as well as within the Sheraton and Best Western Motels, and the Cariboo R.V. Park. The Chamber began distributing of the surveys in mid August 1987, on the understanding that they would compile the returns and prepare an evaluation report by 1987 November.

Due to unforeseen conditions, distribution of the surveys was considerably slower than anticipated. In consultation with Municipal staff, it was agreed that surveys received by 1987 November 30 would be considered as a Phase I of the Tourism Survey, and that the Chamber would begin compilation and evaluation of completed questionnaires received by that date. The Chamber agreed to prepare an evaluation report to be submitted to the Municipality by 1988 February.

The Chamber has indicated that they have been unable to complete compilation and evaluation of the survey results. The Chamber staff have submitted a revised schedule, which proposes inclusion of all completed surveys received by 1988 February 29 for Phase I of the survey. A summary evaluation report is to be available by the beginning of 1988 April.

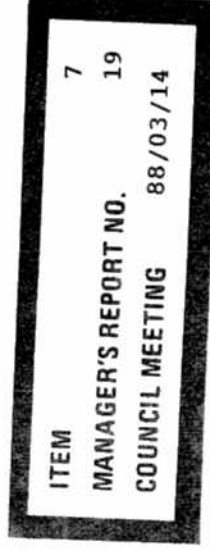
Distribution of the survey questionnaire will continue in 1988, and survey results from 1988 March to 1988 August will be evaluated as a Phase II of the survey. Completion of the evaluation of the entire survey will be by 1988 November 01.

Municipal staff propose that the revised schedule for the completion of the survey evaluation be included in the 1988 contract.

### 2.4 Audited Statement

Staff have reviewed the audited statement for the 1987 expenses of the Travel Information Centre. The actual expenses for 1987 are approximately 1% less than those on the budget submitted for the 1987 contract. The Finance Department has indicated that this is an acceptable difference from the budget, particularly since it represents an under-expenditure.

The result of the under-expenditure is that the Chamber has paid only 9% of the total operating costs of the Travel Information Centre, while their assessed contribution as per the contract is 10%. Under the terms of the present contract, the Municipal contribution is a fixed amount, based upon 90% of the budgeted expenses. There is not presently a mechanism in place for adjusting the Municipal contribution following submission of the actual expenses.



3.0 1988 FEE-FOR-SERVICE CONTRACT

The Chamber has submitted a preliminary budget for the 1988 calendar year, which represents a 14.7% increase over the 1987 actual operating costs. The Finance Department has indicated that a 3.5% increase to cover inflationary costs would be considered reasonable. Following a review of the proposed 1988 budget, this department would concur that this is a reasonable guideline.

Staff propose that negotiations take place with the Chamber staff, to establish a base budget that falls within a maximum 3.5% increase over the 1987 actual costs.

Staff further propose that an amendment be made to the 1988 contract, and any subsequent contracts stipulating that the assessment of costs to the Chamber be equivalent to a minimum of 10% of the actual operating costs, and that the Municipal contribution be equivalent to a maximum of 90% of the approved budgeted operating costs.

This amendment would shift responsibility to the Chamber to cover 100% of any cost increases over the submitted budget. If the actual costs are less than those budgeted, an adjustment will be assessed to the Chamber so that their contribution is equivalent to 10% of the costs, and the adjustment will be credited to the Municipal contribution in the subsequent contract year.

4.0 CONCLUSIONS

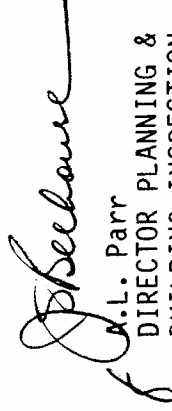
Staff have reviewed the 1987 Fee-for-Service contract with the Chamber of Commerce, and are satisfied that the basic terms of the contract have been adequately fulfilled, and that the service provided to tourists through the Travel Information Centre is a worthwhile means of promoting tourism in the Municipality.

In light of the review of the contract, staff recommend that the Municipality enter into a Fee-for-Service contract for the 1988 calendar year, incorporating minor amendments in relation to the completion of the Tourism Survey and the relative structure of the Chamber and Municipal financial contributions as noted above.

The existing contract specifies that the Municipality must advise the Chamber by 1988 March 15 regarding the intent to renew the agreement for a subsequent year. Staff recommend that the Municipality advise the Chamber of their interest in renewing the contract for operation of the Travel Information Centre, and that staff be authorized to negotiate the terms of the agreement, subject to Council approval.

*And*  
DLF/mcb

c.c. Director Finance  
Director Administrative & Community Services  
Municipal Clerk

  
J.L. Parr  
DIRECTOR PLANNING &  
BUILDING INSPECTION

TRAVEL INFOCENTRE MONTHLY STATISTICS (1986)

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Visitors	234	255	331	491	2675	4555	5910	5373	3309	997	389	143
Telephone Inquiries	115	120	100	198	372	420	558	496	525	70	39	35
Mail Inquiries	9	10	7	37	21	16	13	9	6	8	10	6

Year to Date 24662  
3108  
152

TRAVEL INFOCENTRE MONTHLY STATISTICS (1987)

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Visitors	225	335	415	460	991	3176	5644	4484	1198	837	499	337
Telephone Inquiries	62	64	95	102	102	222	255	184	94	63	65	63
Mail Inquiries	3	15	20	12	9	6	18	10	5	13	10	4

Year to Date 18601  
1402  
125

TRAVEL INFOCENTRE MONTHLY STATISTICS (1988)

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Visitors	342											
Telephone Inquiries	91											
Mail Inquiries	8											

ITEM 7  
MANAGER'S REPORT NO. 19  
COUNCIL MEETING 88/03/14

